

**Preferred Communications**

January 6, 2005

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

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Federal Communications Commission  
Office of Secretary

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**Re: Mobile Satellite Ventures Subsidiary LLC**  
**Ex Parte Presentation**  
**IB Docket No. 01-185**  
**File No. SAT-MOD-20031118-00333 (ATC application)**  
**File No. SAT-AMD-20031118-00332 (ATC application)**  
**File No. SES-MOD-20031118-01879 (ATC application)**

Dear Ms. Dortch:

Preferred Communications hereby urges the Commission to afford L-band Mobile Satellite Service ("MSS") operators greater flexibility in their provision of an Ancillary Terrestrial Component ("ATC"), as requested by Mobile Satellite Ventures LP ("MSV") in the above-captioned proceedings. The increased flexibility requested by MSV will ensure that next-generation MSS systems in the L-band can finally achieve the ubiquitous coverage, capacity, and economies of scale needed for a true consumer service. In contrast, the restrictions on L-band ATC advocated by Inmarsat Ventures plc ("Inmarsat") will only ensure that MSS forever remains a niche service catering to price-insensitive users operating in remote areas.

Preferred Communications has provided MSS since 1999 using the L-band satellites of MSV and Mobile Satellite Ventures (Canada) Inc. Preferred Communications currently provides voice and data services to end user customers throughout the United States. We specialize in the Emergency Management applications of MSV products and have hundreds of customers nationwide.

While Preferred Communications has developed a viable business that includes current-generation MSS satellites to serve niche markets, we are excited about the future potential for MSS when supplemented with ATC. To date, MSS has been characterized by suitcase-sized user terminals, limited coverage, low data rates, and equipment and service prices far exceeding that offered by terrestrial wireless operators. Because the market for this type of service is small, the economies of scale needed to drive down equipment and service prices have not developed. With ATC, however, MSS has the potential to evolve into a true consumer service. ATC will provide the coverage, capacity, and economies of scale needed to bring MSS equipment and service prices to affordable levels. Moreover, by overcoming satellite signal blockage in urban areas, ATC will allow MSS to become a truly ubiquitous service, allowing service providers to

Ms. Marlene H. Dortch

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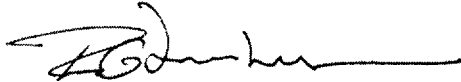
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market their products to customers not only in rural and remote areas but to customers in the most densely populated urban cores as well.

Preferred Communications understands that concerns of potential interference could delay MSV's development of a next-generation MSS system. These concerns are overstated and speculative. For example, our customers will continue to use their satellite-only terminals after MSV deploys ATC, but we are not concerned that these terminals will experience interference from MSV's ATC base stations. This is because our customers do not use their satellite-only terminals in areas where MSV is expected to deploy base stations to overcome satellite signal blockage. By definition, if MSV needs to deploy an ATC base station to overcome signal blockage, our satellite-only terminals will not work effectively in those areas.

The Commission is at a crossroads in the development of MSS technology. Preferred Communications urges the Commission to follow the path of innovation and better consumer service by adopting MSV's proposals for increased flexibility for ATC in the L-band.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Meeker', with a long horizontal flourish extending to the right.

Robert G. Meeker  
President